About 507 employees of ONGC have opted for VRS under the 1.3.2004-31.5.2004 Scheme taking the total number of ONGC employees who have opted for Voluntary Retirement to 1219.

The Government had annunced a Voluntary Retirement Scheme on 5.10.1988. The Government announced a revised Scheme on 5.5.2000 so as to make it more efficacious having regard to both the interests of the employees and the need to enable Public sector Enterprises to rationalise their surplus manpower. ONGC has implemented its Voluntary Retirement Scheme as per the guidelines of the Government.

Compensations to OMCs

747. PROF. ALKA BALRAM KSHATRIYA:
DR. T. SUBBARAMI REDDY:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether excise duty reduction on petrol, diesel and cooking gas announced by Government has cost the exchequer Rs. 2938 crores in the remaining part of current financial year;

(b) if so, to what extent marketing companies have been benefited by duty reduction;

(c) whether oil marketing companies (OMCs) still claim that they have not been fully compensated for raising global crude prices; and

(d) if so, to what extent they are bearing the loss and in what manner Government are helping them?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (d) Taking into consideration the prevalent high international oil prices, the oil marketing companies (OMCs) sought to increase the consumer prices of petrol, diesel and domestic LPG and PDS kerosene. However, if the full impact of high international oil prices was passed entirely on to the consumers, it would have meant too much of burden on them. Therefore, the Government decided to share the burden by reducing excise duties on petrol, diesel and LPG. The following reduction was effected in the *ad valorem* excise duty rates on petrol, diesel and LPG effective from 16.6.2004.

Product	Reduction in *ad valorem* excise duty rates effective from 16.6.04
Petrol	26%, down from 30%
Diesel	11%, down from 14%
LPG	8%, down from 16%

The burden of high international oil prices was also shared by OMCs by not passing the full impact of international oil prices in the increase of the domestic consumer prices of aforesaid products effective 16.6.2004. Further, OMCs did not increase the selling prices of PDS kerosene.

As regards the under recoveries of OMCs and annualized impact of the aforesaid reduction in excise duties on Government revenue, the same would *inter alia* depend upon the international oil prices, domestic selling prices of petroleum products, growth in demand, etc. during the remaining part of the year.

Re-appointment of contract engineers in EIL

748. SHRIMATI PREMA CARIAPPA:
SHRI MOTILAL VORA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Engineers India Limited (EIL) have axed more than 300 qualified engineers working on contract basis for a period ranging from 3 to 8 years;

(b) whether Government have received recommendations from a high level committee for their absorption/continuation of service; and

(c) if so, the steps taken by Government to re-appoint these contract engineers in EIL and other PSUs under the Ministry of Petroleum and Natural Gas?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) The contract engineers were recruited for specified periods to meet the short-term requirements of EIL and have been released on completion of their contract period/extended period or foreclosure of contract as per the terms and conditions of their appointment.